Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Labor Committee

HB 1194

Brief Description: Addressing the death benefits of a surviving spouse of a member of the law enforcement officers' and firefighters' retirement system or the state patrol retirement system.

Sponsors: Representatives Kirby, Holy, Van De Wege, Hayes, Stokesbary, Fitzgibbon and Bergquist; by request of LEOFF Plan 2 Retirement Board.

Brief Summary of Bill

• Provides that surviving spouses of members of the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) and Washington State Patrol Retirement System (WSPRS) receive monthly industrial insurance benefits regardless of remarriage.

Hearing Date: 1/27/15

Staff: Joan Elgee (786-7106).

Background:

The Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) provides retirement and disability benefits to law enforcement officers and firefighters. Similarly the Washington State Patrol Retirement System (WSPRS) provides retirement and disability benefits to commissioned officers of the Washington State Patrol.

Workers injured in the course of employment are entitled to various industrial insurance benefits. If death results from the injury, the surviving spouse receives a monthly benefit of 60 to 70 percent (depending on the number of children) of the wages of the deceased spouse. If the surviving spouse remarries, benefits are discontinued at the end of the month in which the remarriage occurs. Payments to the children continue. However, upon remarriage, the spouse may choose to receive a lump sum of 24 times the monthly rate or to have the monthly payments suspended and then resume if the remarriage is terminated by death or dissolution. In 2010, legislation was enacted providing that the lump sum option for surviving spouses of a member

House Bill Analysis - 1 - HB 1194

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

of the LEOFF and the WSPRS is 36 times the monthly rate. Only members of LEOFF Plan 2 are eligible for industrial insurance.

The remarriage provisions also apply to surviving spouses of workers who died, from any cause, while receiving a permanent total disability (pension) award and the claim was filed before July 1, 1986. For claims filed on or after July 1, 1986, workers who receive a pension award select an option for benefits upon the workers' death from a cause unrelated to the injury. Options include a reduced rate for the worker and payments to a beneficiary upon the worker's death.

Summary of Bill:

Surviving spouses of members of the LEOFF and the WSPRS who died as a result of the injury receive industrial insurance benefits for life regardless of remarriage. These spouses are not eligible for a lump sum payment. For remarried surviving spouses as of the effective date, benefits resume for a spouse who choose to have benefits suspended and the monthly payments are actuarially reduced for a spouse who choose a lump sum payment. The remarriage provisions also apply to surviving spouses of workers who received a pension for claims filed before July 1, 1986.

Appropriation: None.

Fiscal Note: Requested on January 20, 2015.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.